

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
2007 Legislative Year**

Status as of October 15, 2007

B - Other Bills

Bill Number Version	Author	Summary	Board Position	Status
AB 2	Dymally	MRMIP: Pay or Play		09/11/2007-
A-09/07/2007		Requires health care service plans and health insurers to elect to either make available all of its group or individual health benefit plans to individuals in each service area, or to alternatively pay a fee covering its market share, as determined by MRMIB based on covered lives. Amendments on 9/7/07 state that covered lives shall not include persons covered under several state programs, including PEMHCA.		To inactive file on motion of Senator Perata.
AB 8	Nunez	Universal Health Care Coverage		10/12/2007-
V-10/12/2007		Creates the California Cooperative Health Insurance Purchasing Program (Cal-CHIPP), which would be administered by the MRMIB. Would require employers to provide health care to employees and dependents in an amount that is equivalent to 7.5 percent of the employer's total social security wages, or, alternatively, elect to have health care coverage provided through Cal-CHIP. Requires HHSA, in consultation with CalPERS, to assume lead agency responsibility for professional review and development of best practice standards in the care and treatment of persons with high cost chronic diseases, such as asthma and diabetes, to be implemented in every state health coverage program, including CalPERS. Requires HHSA to consult with CalPERS, and affected health provider groups, to develop performance measurement benchmarks for health care quality measurement and reporting into a common "pay for performance" model to be offered in every state-administered health care program, including PEMHCA. Would establish two new entities: the California Health Benefits Service (service) and the California Health Care Cost and Quality Transparency Commission (commission), both under the Health and Human Services Agency. CalPERS would be an ex-officio member of the commission, which would be responsible for developing, implementing and periodically updating a health care quality and cost containment plan for the state.		Vetoed by Governor

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AB 36 I-12/04/2006	Niello	Public Employees' Retirement: Fraud Establishes a definition of, and penalties for, fraud when done so in connection with benefits, or an application for benefits, administered by CalPERS, CalSTRS, or '37 Act County Systems.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.
AB 109 A-07/18/2007	Nunez	California Global Warming Solutions Act of 2006: Annual Report Requires the Governor to report annually to the legislature on greenhouse gas emissions. Also requires CalPERS, the State Treasurer's Office, and CalSTRS to report to the legislature, annually, on their efforts to make investments in the alternative energy or clean technology business.		09/04/2007- To inactive file on motion of Senator Perata.
AB 219 I-01/29/2007	Jeffries	Disability Retirement: Medical Examinations Permits CalPERS to request a medical reevaluation of a member retired for disability who is over the minimum age for voluntary retirement applicable to members of his or her class and if he or she has been retired for 36 months or less; current law only allows a medical reevaluation for those under the minimum retirement age.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.
AB 221 C-10/15/2007	Anderson	Targeted Divestment from Iran Creates the California Public Divestment from Iran Act. Prohibits CalPERS and CalSTRS from investing public employee retirement funds, as defined, in a company with business operations in Iran that meets the following criteria: is invested in, or is engaged in, business operations with entities in the defense or nuclear sectors of Iran, or invested or engaged in the development of petroleum or natural gas resources of Iran and that company is subject to sanctions by the Federal Government; or in a company engaged in business operations with an Iranian Organization that has been labeled a terrorist organization by the US Government. The provisions of this act are considered severable. If any provisions are deemed invalid, the remaining provisions remain in effect. This bill would require the Boards of these retirement systems to sell or transfer any investments in these companies within specific timeframes and report to the Legislature regarding these investments.	Oppose	10/14/2007- Chaptered by the Secretary of State, Chapter 671, Statutes of 2007

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AB 275 I-02/09/2007	Soto	Local Safety Member Industrial Disability Retirement Existing law establishes the industrial disability retirement allowance for local safety members as (1) 50% of the member's final compensation plus an annuity purchased with the member's accumulated additional contributions, if the member is not eligible to retire, or (2) the member's service retirement allowance if it would be greater than 50% and the member is eligible to retire. This bill would provide a third option for calculating the industrial disability retirement allowance of local safety members who are not eligible to retire but who have earned enough service to exceed the 50% provided in current law.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.
AB 299 C-07/27/2007	Tran	Code Maintenance (2007) Makes technical, nonsubstantive changes in various provisions of law to effectuate the recommendations made by the Legislative Counsel to the Legislature.		07/27/2007- Chaptered by the Secretary of State, Chapter Number 130, Statutes of 2007
AB 376 I-02/15/2007	Nava	Local Safety Member: Airport Police Officers Allows contracting agencies to include their airport law enforcement officers as local safety members through an optional contract amendment.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.
AB 384 C-09/29/2007	Portantino	California Fallen Federal Firefighter Survivor Assistance Act of 2007 Extends PEMHCA health benefit coverage to the surviving spouse, as defined, or eligible family member of a permanent career civilian federal firefighter, including temporary federal firefighters, who resides and whose regular duties are to perform firefighting services in this state and who dies as a result of an injury or disease sustained in the line of duty.	Support, if Amended	09/29/2007- Chaptered by the Secretary of State, Chapter Number 255, Statutes of 2007

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AB 423 V-10/14/2007	Beall	Mandated Benefits: Mental Health Parity Requires all health care service plans to provide coverage and treatment of patients with mental health disorders that is equitable to coverage provided for other medical illnesses. Would define mental illness for this purpose as a mental disorder defined in the Diagnostic and Statistical Manual IV, including substance abuse.	Support	10/14/2007- Vetoed by the Governor
AB 524 A-05/10/2007	Hancock	Contracting Agencies: Service Retirement; West County Waste Water District: Health Vesting Gives the West County Waste Water District a contract option to provide an employer contribution at the 100/90 formula for postretirement health coverage if the employee completes at least 10 years of state service with the District at retirement, as specified. This provision only applies to district employees who are first hired on or after January 1, 2009.	Support	05/23/2007- Senate PE&R Committee
AB 545 I-02/21/2007	Walters	CalPERS: Increased Investigation Authority Allows CalPERS investigators increased access to information maintained by the Employment Development Department (EDD) or by workers' compensation insurers with respect to an investigation of benefit eligibility or unlawful application for, or receipt of benefits.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.
AB 754 C-10/08/2007	Assembly PER&SS Committee	CalPERS Investment Officer Compensation Provides legislative approval for recent addenda to bargaining agreements that, among other things, authorize a 5 percent salary increase for CalPERS and CalSTRS Investment Officer III positions, effective January 1, 2007, and allow the parties to meet and confer to establish an incentive award program for the class. Also allows the parties to extend similar salary increases for Investment Officer I and II classes on or after January 1, 2008, and establishes a pay differential for Investment Officers that become Chartered Financial Analysts.		10/08/2007- Chartered by the Secretary of State, Chapter Number 321, Statutes of 2007

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AB 953 I-02/22/2007	Krekorian	State Vision Care Benefits Extended to Parents and Siblings Would require the Department of Personnel Administration, when entering into any contract for vision care for state employees, to extend that coverage to a parent or sibling of an employee, if specified conditions are met. By increasing employer and employee contributions under those provisions, the bill would make an appropriation.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.
AB 991 A-03/29/2007	Calderon, Charles	DROP for State Patrol, POFF, and State Safety Establishes the Deferred Retirement Option Program (DROP) beginning July 1, 2008, as a voluntary program in CalPERS for the excluded or exempt state employees of State Bargaining Units 5, 6, 7, and 8 to provide eligible members, upon retirement, a lump sum payment in addition to their monthly retirement allowance and permit their designated beneficiary or beneficiaries to receive any remaining balance upon their death. Requires CalPERS to report by June 1, 2008 the cost impact of the DROP to the state for the 2008-09 fiscal year, and report annually by July 1, thereafter. Requires the program to be cost neutral to the state, and authorizes the Department of Personnel Administration to terminate the program if the annual valuation indicates it is not cost neutral.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.
AB 1377 I-02/23/2007	Nakanishi	PEMHCA: Public Employees' Health Savings Fund Would require the CalPERS Board to offer a high deductible health plan, as defined in the federal tax law, and a health savings account option to public employees and annuitants, as specified. The bill would establish the Public Employees' Health Savings Fund, a continuously appropriated trust fund within the State Treasury, for payment of qualified medical expenses of employees and annuitants who elect to enroll in the high deductible health plan and participate in the health savings account option, and would require those employees and annuitants, and their employers, to make specified contributions to that fund. This bill would also make related legislative findings and declarations.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Assembly PER&SS Committee.

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AB 1554 A-07/05/2007	Jones	Health Plan Rate Approval Would require a health care service plan or disability insurance policy to receive approval by the Department of Managed Health Care or the Department of Insurance of an increase in the amount of the premium, copayment, coinsurance obligation, deductible, or other charges that would be effective on or after January 1, 2009. This article shall not apply to a State Program, though State Program is not defined in this bill or the Health and Safety Code. This article shall not apply to a proposed rate increase of less than 5 percent if the health care services plan's medical loss ratio during each of its three most recently completed reporting years is 90 percent or higher. In addition any rate increase that became effective between January 1, 2007 and December 31, 2008 would be subject to a review by the appropriate department. This bill excludes the Medical Program, Healthy Families Program and Medicare supplement plans.		07/11/2007-Senate Health Committee; failed passage. Reconsideration granted.
AB 1561 A-06/14/2007	Calderon, Charles	State Tax Conformity with Federal Tax Changes Among other things, provides state conformity to federal income tax laws to make permanent an exclusion for public safety employees from the 10 percent early withdrawal penalty on distributions made to beneficiaries of certain annuities and employees' trusts, as well as the tax treatment of certain distributions of pension plans. Also provides conformity with the recent federal exclusion from taxation of gross income of qualified public safety officers retired for service or disability, their spouses and dependents, up to \$3000 annually in direct distributions from an eligible public retirement plan to pay premiums for health, accident, or long-term care insurance.		08/30/2007-Senate Appropriations Committee; suspense file.

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AB 1624 A-04/10/2007	Niello	Disability Benefits Among other things, allows CalPERS to request up to two medical re-evaluations for individuals that have reached the minimum age for service retirement if they have been receiving a disability allowance for less than 60 months. The bill would limit the number of medical evaluations to two within a 36 month period. Medical re-evaluations after retirement currently cannot be requested if the retiree has reached the minimum age of retirement for service applicable to his or her retirement formula. The bill also requires the Board to convert from an industrial disability allowance to a service retirement allowance, the benefits of patrol members eligible for a maximum service retirement benefit that retire due to an industrial disability and subsequently become employed as a peace officer.		05/14/2007- Failed Deadline pursuant to Rule 61(a)(3). Last location was Assembly Insurance Committee.
AJR 5 C-09/10/2007	Hernandez	Social Security Offsets Declares that the elimination of the Government Pension Offset and the Windfall Elimination Provision would greatly improve the opportunities for hiring and retaining teachers, peace officers, firefighters, and other public employees in California, and encourages the President and the Congress of the United States to repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.		09/10/2007- Chaptered by the Secretary of State, Res. Chapter Number 116, Statutes of 2007
SB 11 A-07/05/2007	Migden	Domestic Partnerships Would expand the definition of "domestic partner" by allowing two persons of opposite sexes who are over 18 years of age and meet other specified criteria to register as domestic partners. As domestic partners they would be entitled to the same rights and duties as a spouse with regard to all state laws, including community property, pension and death benefits, taxes, and health insurance coverage.	Neutral, with Suggested Amendments	08/30/2007- Assembly Appropriations Committee; held under submission.

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SB 14 C-10/09/2007	Negrete McLeod	Retirement: Military Service Provides "optional" membership rights to members of the California National Guard, who do not qualify for CalPERS. Creates member classification of "National Guard member" for such persons, who generally receive the same benefits as state miscellaneous members. Provides right to purchase credit for previous California National Guard service. National Guard members would pay both the employee and employer share of contributions for membership and previous service, and would be excluded from certain provisions under the law to minimize potential costs to the state.	Neutral	10/09/2007- Chaptered by the Secretary of State, Chapter Number 355, Statutes of 2007
SB 77 C-08/24/2007	Ducheny	2007-2008 Budget Act This bill would make appropriations for support of state government for the 2007-2008 fiscal year. This bill would declare that it is to take effect immediately as an urgency statute.		08/24/2007- Chaptered by the Secretary of State, Chapter Number 171, Statutes of 2007
SB 86 C-08/24/2007	Senate Budget and Fiscal Review Committee	Retiree Drug Subsidy (RDS) Authorizing CalPERS to establish a sub-account entitled the Account for Retiree Drug Subsidy Payments (RDS) within its Contingency Reserve Fund (CRF). This account would be established to hold subsidies collected through the federal Medicare Prescription Drug Improvement and Modernization Act, commonly referred to as Medicare Part D. This bill would specify that all funds placed into the account could be appropriated by the Legislature through the annual Budget Act.		08/24/2007- Chaptered by the Secretary of State, Chapter Number 179, Statutes of 2007
SB 221 C-07/17/2007	Runner	LRS Final Compensation Specifies that final compensation for members of the Legislators' Retirement System that enter the System on or after January 1, 2008 is based on the highest annual compensation that was earnable during a specified consecutive 12-month period of employment.	Neutral	07/17/2007- Chaptered by the Secretary of State, Chapter Number 74, Statutes of 2007

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SB 235 C-10/08/2007	Negrete McLeod	Vision Care: CSU Annuitants Would establish the California State University Annuitant Vision Care Program to be administered by the CSU system. The CSU Annuitant Vision Care Program would provide vision care coverage to specified CSU annuitants and their dependents, as contracted for by CSU. Requires CSU to administer the plan on or after July 1, 2008.	Support	10/08/2007- Chaptered by the Secretary of State, Chapter Number 344, Statutes of 2007
SB 259 V-10/10/2007	Negrete McLeod	Service Credit for CSU Academic Employees Permits CSU academic employees who are granted a reduced pay leave, such as a sabbatical or difference in pay leave, on or after January 1, 2008 to receive full service credit during the leave through a payroll reporting process instead of through a service credit purchase option after return to full employment at the end of the leave. The employee and employer would be required to contribute to the retirement fund the amount that would have been contributed if the member was not on a reduced pay leave. This provision is subject to collective bargaining.		10/10/2007- Vetoed by Governor
SB 320 V-10/14/2007	Alquist	California Health Care Information Infrastructure Program Includes CalPERS in the group of agencies that the California Office of HIPAA Implementation (Cal-OHI) must consult with (one of over 10) to develop a plan for implementation of the California Health Care Information Infrastructure Program, whose purpose is to provide all Californians with a personal health record and electronic health record. Part of the implementation plan is to identify a lead agency to be responsible for administering the program.		10/14/2007- Vetoed by Governor
SB 389 I-02/21/2007	Yee	Hospital-Based Physician: Balance Billing Would require the Department of Managed Health Care and the Department of Insurance to implement an independent provider dispute resolution system on or before March 1, 2008. This bill would also prohibit a hospital-based physician from seeking payment from individual enrollees for services he or she rendered and would require that physician to seek reimbursement from the enrollee's health care service plan.	Support	10/08/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Senate Health Committee.

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SB 431 C-09/29/2007	Aanestad	Butte and Solano County Trial Courts Current law requires that in the case of a trial court located within a county contracting with CalPERS for retirement benefits, the trial court and the county must participate under a joint contract with CalPERS, resulting in pooled assets and liabilities and a single employer contribution rate. Among other things, SB 431 would require CalPERS to prepare on or before October 1, 2008 and from existing resources, a separate computation of the assets and liabilities of Butte and Solano counties and their respective trial courts, with the split calculated retroactively from January 1, 2001 and based on the most recent annual actuarial valuation. Requires those entities to supply relevant information to CalPERS, including any lump-sum payments, and which active, inactive, and retired members shall be considered employees of the respective county and the trial court, as specified. Also provides that nothing in its provisions shall be construed to effect the combined calculation of assets and liabilities for purposes of setting the employer contribution rate for both a county and a trial court.	Neutral	09/29/2007- Chaptered by the Secretary of State, Chapter Number 256, Statutes of 2007
SB 461 I-02/21/2007	Ashburn	Divestment from Companies in a Foreign Terrorist State Would prohibit CalPERS and CalSTRS from investing public employee retirement funds, as defined, in a company with business operations in a foreign terrorist state, as specified, and would require the Boards of these retirement systems to sell or transfer any investments in these companies within specific timeframes and report to the Legislature regarding these investments.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Senate PE&R Committee.
SB 579 A-06/21/2007	Wiggins	Safety Member: Qualified Health Insurance Premiums Requires CalPERS to certify to the Internal Revenue Service and specified health insurance plan providers for tax purposes that the member is a retired public safety officer when the member retires for disability or based upon years of service after attaining the normal retirement age.		09/07/2007- Placed on inactive file on request of Assembly Member Bass.

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SB 580 I-02/22/2007	Wiggins	PEMHCA: Contract with Out-of-State Pension and Health Systems Authorizes the CalPERS Board to contract with out-of-state public employee pension and health systems to provide health care benefits to California employees and annuitants who reside outside this state, as specified.	Neutral	09/06/2007- Placed on inactive file on request of Assembly Member De Leon.
SB 581 C-10/13/2007	Wiggins	Volunteer Firefighter Length of Service Awards Transfers administration of the Volunteer Firefighters Length of Service Award Program from CalPERS to the California State Fire Employees Welfare Benefit Corporation. The award system would be administered by the Corporation's board and would have to comply with specified requirements. Requires the CalPERS Board of Administration to transfer associated confidential participant data and files to the Corporation. Indemnifies and holds harmless CalPERS, its officials and employees as a result of the transfer to the Corporation.	Support	10/13/2007- Chaptered by the Secretary of State, Chapter Number 651, Statutes of 2007
SB 608 A-09/07/2007	Wiggins	JRS Optional Settlements Restores in statute, the ability of judges that have attained the minimum age for service retirement with at least 20 years of service to irrevocable elect to designate their spouse to receive an optional settlement 2 in lieu of a pre-retirement death benefit, under the same provisions of law in effect prior to January 1, 2005, which provides the surviving spouse a monthly allowance equal to the actuarial equivalent of the member's earned retirement. Also honors elections made by judges between January 1, 2003 and January 1, 2007 that designated their spouse or someone other than their spouse to receive this specific pre-retirement optional settlement.		09/12/2007- Senate Unfinished Business
SB 689 I-02/23/2007	Correa	Vision Care: State Annuitant Would require the state to pay 1/2 of the monthly premium of each annuitant participating in the Vision Care Program for State Annuitants, subject to appropriation in the annual Budget Act. The program is currently self funded by annuitant premiums.		05/02/2007- Failed Deadline pursuant to Rule 61(a)(2). Last location was Senate PE&R Committee.

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SB 755 A-08/20/2007	Alquist	Increased Death Benefits for State Retirees Increases the death benefit paid to the designated beneficiary from \$2,000 to \$5,000 for a state member who retires on or before July 1, 2008.		08/20/2007- Senate Rules Committee
SB 840 A-07/10/2007	Kuehl	Universal Coverage: Single-Payer System Makes all California residents eligible for specified health care benefits under the newly created California Healthcare System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services. Prohibits the issuance of health plan contracts for services covered by the system. Creates the California Healthcare Premium Commission (the Commission) to determine the cost of the California Healthcare System and develop a premium structure. Requires the Commission to recommend a premium structure to the Governor and Legislature on or before January 1, 2010, and to make a draft recommendation to the Governor, the legislature and the public 90 days before submitting its final premium structure recommendation. Requires that the system be operative within two years of the Secretary of Health and Human Services notifying the legislature that sufficient funds exist.		07/10/2007- Assembly Appropriations Committee
SB 981 A-09/07/2007	Perata	Health Care Coverage: Noncontracting Hospital-Based Physician Claims Establishes standards and requirements for claims payment and dispute resolution for non-contracting hospital-based physicians who provide emergency services in a hospital to enrollees of a health care service plan licensed by DMHC under Knox-Keene. Specifically, this bill would require any non-contracting hospital-based physician who provides emergency services in a hospital to seek reimbursement for medically necessary emergency services provided to the health plan enrollee solely from the health plan or its contracting risk-bearing organization that is financially responsible for the covered services.		09/10/2007- Re-referred to Assembly Health Committee and Assembly Appropriations Committee pursuant to Assembly Rule 77.2.

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SB 1032	McClintock	Disability Retirement: Medical Examinations		05/02/2007- Failed
I-02/23/2007		Permits CalPERS to request a medical reevaluation of a member retired for disability who is over the minimum age for voluntary retirement applicable to members of his or her class and if he or she has been retired for 36 months or less; current law oonly allows a medical reevaluation for those under the minimum retirement age.		Deadline pursuant to Rule 61(a)(2). Last location was Senate PE&R Committee.
